

Director of Central Intelligence

# 34400

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COPY NO. 12

# NATIONAL SECURITY COUNCIL

## STATUS OF PROJECTS

as of

June 12, 1950

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June 12, 1950

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NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

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1. COMPLETED PROJECTS

(May 29, 1950 - June 12, 1950)

SUPPLEMENTAL BUDGET ESTIMATE FOR THE INFORMATION AND EDUCATION  
EXCHANGE PROGRAM

(See NSC Action No. 307)

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2. PROJECTS UNDER CONSIDERATION BY THE NSC

EXPORT OF STEEL MILL EQUIPMENT TO AUSTRIA

(Memo for NSC from Executive Secretary, same subject, dated June 7, 1950)

Memorandum by the Secretary of Commerce submitted for consideration by the NSC, the Secretaries of the Treasury and Commerce, and the Economic Cooperation Administrator. Scheduled as item 1 on the agenda for the 58th NSC meeting, June 15, 1950.

STRATEGIC RATING OF RAILROAD TRANSPORTATION EQUIPMENT

(Memo for NSC from Executive Secretary, same subject, dated June 9, 1950)

Memorandum by the Secretary of Commerce submitted for consideration by the NSC, the Secretaries of the Treasury and Commerce, and the Economic Cooperation Administrator. To be scheduled on the agenda of an early Council meeting.

UNITED STATES POLICY TOWARD GERMANY

(NSC 71)

Views of the Joint Chiefs of Staff circulated at the request of the Secretary of Defense for the information of the Council. To be scheduled on the agenda of an early Council meeting.

UNITED STATES POLICY TOWARD SPAIN

(NSC 72)

Views of the Joint Chiefs of Staff circulated at the request of the Secretary of Defense for the information of the Council. To be scheduled on the agenda of an early Council meeting.

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## PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

COORDINATION OF U. S. AID PROGRAMS FOR FAR EASTERN AREAS  
(NSC 61/1; NSC 61; Memo for NSC from Executive Secretary, same subject, dated May 16, 1950)

Pursuant to NSC 61, a report by the Under Secretaries of State and the Army, and with the concurrence of the President, representatives for a Working Group were designated by the Secretaries of State, Defense, the Treasury, and Commerce and by the Economic Cooperation Administrator, to prepare a report for consideration by the Council, the Secretary of the Treasury and the Economic Cooperation Administrator looking to closer coordination of economic and military aid programs generally for Far Eastern areas. The report prepared by the Working Group, with the assistance of a representative of the Bureau of the Budget, was submitted as NSC 61/1 for consideration by the NSC, the Secretaries of the Treasury and Commerce, and the Economic Cooperation Administrator by the reference memo. Approved by the Secretary of the Treasury, May 17; by the Secretary of Commerce, May 22; disapproved by the Economic Cooperation Administrator, May 29. Awaiting action by other Council members.

SUPPORT FOR THE VOICE OF AMERICA IN THE FIELDS OF INTELLIGENCE AND OF RESEARCH AND DEVELOPMENT

(NSC 66; Memos for NSC from Executive Secretary, same subject, dated April 4, and May 11, 1950)

Report by the Secretary of State submitted by the reference memo for consideration and memorandum action by the NSC, the Secretary of the Treasury, and the Chairman, Federal Communications Commission. In accordance with the suggestion of the Secretary of State, the Secretaries of State and Defense, the Chairman, Federal Communications Commission, and the Director of Central Intelligence were requested to designate representatives in advance to prepare a report for consideration by the National Security Council, the Secretary of the Treasury, and the Chairman, Federal Communications Commission, in the event that the recommendations in NSC 66 were approved. The following actions have been received:

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

SUPPORT FOR THE VOICE OF AMERICA IN THE FIELDS OF INTELLIGENCE  
AND OF RESEARCH AND DEVELOPMENT (Cont'd)

State: Approves recommendations; designates  
Mr. Howland Sargeant

Defense: Recommends no further action by the Council  
until an ad hoc committee of the IAC com-  
pletes its current investigation of problem.

Treasury: Approves recommendations.

NSRB: Approves recommendations.

FCC: Disapproves recommendations, with comment  
that there should be a re-evaluation of  
the entire "Voice" operations; designates  
Mr. Curtis B. Plummer.

CIA: Designates Mr. Ralph L. Clark and reports  
on current related activities.

Comments of Secretary of Defense, Chairman, FCC, and Director,  
CIA transmitted by the reference memo of May 11 for Council con-  
sideration in connection with the reference report. The Chair-  
man, FCC will participate in the Council's consideration of this  
subject. To be scheduled on the agenda of an early Council meeting.

THE CENTRAL INTELLIGENCE AGENCY AND NATIONAL ORGANIZATION FOR  
INTELLIGENCE

(Memo for NSC from Executive Secretary, same subject, dated  
December 28, 1949; NSC Actions Nos. 231 and 237; NSC 50)

Final progress report by the Director of Central Intelligence,  
of those called for by NSC 50 and NSC Actions Nos. 231 and 237,  
circulated by the reference memorandum for Council information.

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3. PROJECTS UNDER CONSIDERATION BY THE NSC CONSULTANTS

ANALYSIS OF POSSIBLE U. S. ASSUMPTION OF BRITISH MILITARY COMMITMENTS

(Memo for NSC Consultants from Executive Secretary, same subject, dated June 2, 1950)

Upon the informal suggestion of the Department of State, the NSC Staff initiated on September 22, 1949, an analysis to show which British military commitments might have to be taken over if the British gave them up and the possible cost to us. CIA Intelligence Memorandum No. 235 on "Britain's Overseas Military Commitments", furnished to Staff October 13, 1949, and ORE 93-49, on November 21, 1949, for consideration in connection with the subject. Staff draft submitted to NSC Consultants. Concurred in by State June 7, 1950. Awaiting action by other Consultants.

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#### 4. PROJECTS IN PREPARATION BY NSC STAFF

##### APPRAISAL OF U. S. NATIONAL INTERESTS IN SOUTH ASIA

(Memos for NSC from Executive Secretary, same subject, dated June 2, and June 17, 1949, ref. SANACC 360/14; NSC Action No. 224; ref. NSC 48/2)

Report by SANACC (360/14) on above subject, and amendments proposed by the Secretary of Defense, referred by the Council at its 42nd Meeting to the NSC Staff for use in preparation of a report pursuant to NSC 48, "U. S. Policy Toward Asia", and for reexamination in light of that study (NSC 48/2) and the discussion at the meeting. Initial draft by State dated May 2, redrafted June 12, awaiting Staff consideration.

##### ASSESSMENT AND APPRAISAL OF U. S. OBJECTIVES, COMMITMENTS, AND RISKS IN RELATION TO MILITARY POWER

(Memo for NSC from Executive Secretary, same subject, dated December 20, 1949; NSC Action No. 270; NSC 35; Memos for NSC from Executive Secretary, subject, "Measures Required to Achieve U.S. Objectives with Respect to the USSR", dated May 25 and June 21, 1949; Memo for Consultants from Executive Secretary, subject, "Measures..." dated March 30, 1949; NSC Action No. 280b)

At its 51st Meeting, the NSC directed the NSC Staff to prepare a report for Council consideration on the above subject. CIA Intelligence Memos No. 263, "Estimate of Political Factors in the Strategic Situation, in the Event of War Before July 1951", dated January 20, 1950; No. 268, "Estimate of Soviet Capabilities and Intentions: Economic: 1951 and 1954", dated January 25, 1950; and No. 270, "Possible Political Developments of Strategic Significance, Between 1951 and 1954", dated January 28, 1950 furnished to Staff for consideration in connection with the project. The reference papers on "Measures Required to Achieve U. S. Objectives with Respect to the USSR" were referred by the Council (NSC Action No. 280b) to the Staff for consideration in connection with this project. Departmental studies of scope and nature of this project under way. Staff members assisting in these studies as a preliminary step. (See also NSC 68, "United States Objectives and Programs for National Security," Section 5.)

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IN PREPARATION BY NSC STAFF (Cont'd)

PROVISION OF ARMED FORCES FOR THE UNITED NATIONS

Draft report on the subject, transmitted by the Deputy Under Secretary of State, recommended the preparation of a report for Council consideration. Initial draft by Department of State circulated to NSC Staff March 31, 1950. Awaiting Defense views.

THE POSITION OF THE UNITED STATES WITH RESPECT TO THE PHILIPPINES

At the suggestion of the President the NSC Staff has been requested to prepare a report on the above subject for consideration by the NSC. CIA Intelligence Memorandum No. 296, "Current Situation in the Philippines" furnished to Consultants and Staff, June 9. Report on the subject in preparation by the Joint Chiefs of Staff, and an initial draft report by State, will be furnished to the Staff for use in preparation of a report for the NSC. Awaiting JCS and State reports.

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## 5. OTHER CURRENT PROJECTS

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY  
(NSC 68; NSC Actions Nos. 289b and 302b; Memo for Ad Hoc Committee from Executive Secretary, subject; "Initial Questions Confronting the Committee," dated April 28, 1950.)

A letter from the President and the Report by the Secretaries of State and Defense referred to therein, transmitted as NSC 68, and the reference memo for April 17 proposing a procedure for handling NSC 68, were discussed at the 55th NSC meeting. The Secretary of the Treasury, the Economic Cooperation Administrator, the Director, Bureau of the Budget and the Chairman, Council of Economic Advisers, participated in this Council action. Pursuant to NSC Action No. 289b, an ad hoc committee was established to prepare a response to the President's directive in NSC 68 as a matter of urgency. Pursuant to NSC Action No. 302b, this ad hoc committee was further authorized to study and make recommendations with respect to the organization of the government to implement the Conclusions of NSC 68 in the event those Conclusions are approved. Two drafting subcommittees were established, one on programs and the other on organization, and draft reports are now in preparation. Awaiting final response by the ad hoc committee. (See also, "Assessment and Appraisal of U. S. Objectives, Commitments, and Risks in Relation to Military Power," Section 4.)

RECONSTITUTION OF THE NSC STAFF  
(NSC Action No. 302a, Memos for NSC from Executive Secretary, Subject: "Proposed Procedure for Handling NSC 68", dated April 17 and April 24, 1950)

At its 57th Meeting, the NSC referred the reference memoranda to a Special NSC Committee composed of Mr. Humelsine, Mr. Pace, and Mr. Lanphier to prepare, in collaboration with the Executive Secretary, recommendations for consideration by the Council with respect to the reconstitution and strengthening of the NSC Staff, and authorized this committee to request the assistance of representatives of other executive departments and agencies as necessary. Two meetings of the committee have been held to date to consider a draft report. Awaiting final report by the committee.

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## OTHER CURRENT PROJECTS (Cont'd)

MILITARY ASSISTANCE FOR EMERGENCY NEEDS

(Memo for NSC from Executive Secretary, same subject, dated November 23, 1949, ref. NSC 18/4, paragraph 28)

Pursuant to par. 28 of NSC 18/4, approved by the President on November 18, 1949, the Secretaries of State and Defense, the Acting Chairman, NSRB, the Attorney General, and the Director of the Bureau of the Budget designated representatives to assist in the preparation of a study on the methods by which the United States can make available military assistance to meet emergency needs not provided for in existing legislation. At a meeting of these representatives on December 12, 1949, an outline for the study was agreed upon and drafts of certain sections undertaken by State, Defense, and Justice. The Director of Central Intelligence has prepared an estimate of likely contingencies where military assistance may be requested which is not provided for in existing legislation, together with an analysis of problems in connection therewith peculiar to particular foreign countries or areas. Overall draft report prepared by Defense on the basis of the 3 section drafts by State, Defense, and Justice, circulated February 14, 1950, and considered together with a memo by Budget, at a meeting on March 9. Committee awaiting revised draft report by State.

JAPANESE PEACE TREATY

(NSC 60; NSC 48/2; NSC 44; Memo for NSC from Executive Secretary, subject: "Limited Military Armament for Japan", dated March 11, 1949; memo for Consultants from Executive Secretary, subject: "Planning for Limited Japanese Armed Forces", dated April 27, 1949)

Pursuant to paragraph 3-d of NSC 48/2, the question of a peace settlement with Japan will be presented for Council consideration at a later date. The current views of the Joint Chiefs of Staff on this subject circulated for Council information as NSC 60. NSC 44 and related papers, previously under consideration by the NSC Consultants, referred by agreement among Consultants for consideration in connection with this project. Awaiting results of further study by State and Defense.

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OTHER CURRENT PROJECTS (Cont'd)

PROGRESS REPORT ON NSC 26/2

(NSC 26/2; Progress Report dated April 21, 1950 by the Under Secretary of State on the Implementation of NSC 26/2; Memo for NSC from Executive Secretary, same subject, dated May 9, 1950)

Pursuant to NSC Action No. 303b, the Secretary of Defense has been requested to obtain the views of the JCS as to what military steps they contemplate in support of the plans developed pursuant to NSC 26/2, in view of their decision with respect to the battalion of Marines referred to in the reference memorandum dated May 9, 1950. Awaiting report from the Secretary of Defense.

APPRAISAL OF FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS, FACILITIES AND ARRANGEMENTS RELATED TO THE NATIONAL SECURITY  
(Memo for NSC from Executive Secretary, same subject, dated February 7, 1950; NSC Action No. 282)

In approving the proposal by the Acting Chairman, NSRB, in the reference memo, the NSC directed (NSC Action No. 282) the Central Intelligence Agency, in collaboration with the government agencies concerned, to organize and conduct a study of foreign economic intelligence requirements, facilities and arrangements related to the national security and, based on the findings of this study, to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned. Awaiting report by the Central Intelligence Agency.

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6. DEFERRED PROJECTS

NATIONAL SECURITY OBJECTIVES OF THE UNITED STATES

Study initiated by NSC Staff December 2, 1947 as a long-term project. First draft issued February 25, 1948. Further consideration subsequently deferred until after NSC action on the NSC 20 and 35 Series. Awaiting completion of a study on this subject being prepared by the Department of State as a long-term project.

DISCUSSION OF U. S. POLICY TOWARD INTER-AMERICAN MILITARY COLLABORATION

(NSC 56/2; NSC Action No. 301b)

When adopting the reference report the NSC agreed to discuss the subject of the report at a later date prior to the anticipated trip to Latin America of the Secretary of Defense. To be scheduled on the agenda of a future Council meeting.

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7. CANCELLED PROJECTS

UNITED STATES POLICY REGARDING TRADE WITH CHINA  
(NSC 41/1)

A report by the Secretary of State, circulated to the Council for information, was referred at the suggestion of the Secretary of State to the NSC Staff for preparation, as a matter of urgent priority, of a report for consideration by the Council. Also at the suggestion of the Secretary of State, the views of the Department of Commerce were obtained in connection with the Staff study, and the Secretary of Commerce was to be invited to participate in any Council consideration of the report. With the concurrence of the President, this project has now been cancelled pending a decision on general policy relating to "Export Controls and Security Policy" (NSC 69 and NSC Action No. 293).

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